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Our Collaboration With the Enemy—II Nationalized Labor Unions

THE omissions and commissions of the United States have had effects abroad which have been major factors aiding the extension of communism throughout the world. Even these effects, however, are neither as important nor as fundamental as omissions and commissions within the United States, which steadily have reduced the strength of the nation and indirectly brought about the effects of collaboration with the enemy in a still more insidious and fundamental manner.

Council Letter 485, of August 15, included reference to the unwitting collaboration with communism of the American press and various opinion-forming leadership forces. It was pointed out that largely without realizing it, the American press collaborates with Moscow merely by presenting to the people what Moscow says. The fact that Moscow arranges what it puts out in a scientific manner thus to use the press to produce the desired reaction on the part of the American people, also was pointed out. This is accomplished by the way in which the Russians take advantage of their knowledge of subjective conditioning as developed in Russia by Ivan Pavlov. The American press acts as if it were unaware of the way it is being used.

If the press could be considered adult or sophisticated, it would realize the extent to which it is collaborating in the arrangements for its own funeral. However, it does not and therefore it has become the second most important force within the United States making for preparation of the way for communism in this country. It is an even more important factor in this respect than Moscow or agents of communism working all around us.

To advise the press that it could cease being collaborationist if it either omitted publication of the effusions of Moscow and Khrushchev or relegated them to an inconspicuous place in the back of the paper (perhaps following the obituaries), would of course elicit screams of protest. Yet if the press were responsible and if it were to pay atten-

tion to the way in which the knowledge generated by Pavlov works and is used by the communists, it would do just that.

The nature and extent of the collaboration with the enemy on the part of various other forces within the United States and especially the Government is such that but a small part of it can be outlined here. To say that this collaboration is unwitting and is due to the naivete of politicians, government leaders, labor leaders, businessmen, lawyers, ministers, educators, and others only makes it worse. It still remains true that ignorance is no excuse.

Following our references to subjective conditioning and its most important expression through the communist income tax of the United States, as presented in Council Letter 485, we here call attention to the labor situation within which similar processes and forces are working in about the same way to produce about the same effect of collaboration with the enemy.

The Labor-Union Frankenstein

The primary policies of the labor-union hierarchy in the United States might just as well have been formulated in Moscow. They fit into a program for preparing the way for communism within the United States as admirably as though they had been designed for that purpose. What does not seem generally to be recognized is that a major reason why we are about half way along on the road to a communist United States is that we have nationalized our labor unions. They have been made instruments of the state. This is the result of the combined effects of the Wagner Act, the Norris-LaGuardia Act, the Clayton Act, the Taft-Hartley Act, the Landrum-Griffin Act, and others. In fact the labor unions, as a result of legislation passed since 1935, and the way it has been administered, have really become a part of the machinery of the state.

We are told that this development was started

by Franklin D. Roosevelt because he and Ed Flynn, his political adviser, decided that the Democratic Party would cease to exist unless they did something radical to save it. That something was to plant seeds which would convert the Democratic Party into a labor party. That this move would carry so far as to invest the Labor-Democrat party of the United States with policies and programs which almost exactly parallel those of socialism and communism, may or may not have occurred to them, but it now confronts the people of the United States as a fact.

Under such conditions, the lip service which all parties concerned now and then give to the idea of private enterprise and its preservation as the distinctive principle of our American society is nothing but lip service. Private enterprise is more than half gone when that large part of the forces of production called labor is first organized coercively and then nationalized. If the evolution of our nationalized labor force is allowed to continue on the basis of its gigantic hate campaign against management, its pyramided pressure to set up government controls of management, a subsidy of special privilege to labor goons in the form of exemption from responsibility for violence, intimidation, and murder, it should be evident that greater collaboration with the enemy could hardly be brought about if it were openly professed to be working to that end.

The purpose and program of the labor unions in the United States have been one of the several leading causes of the inflation which has destroyed more than half of the value of the money of the United States in but 20 years.

OUR nation-wide system of communications has built up a psychological state on the part of the people which makes possible communist use of subjective-conditioning principles also in ways which aid in the extension, as well as the perpetuation of, an anti-public-interest labor-union setup. The various pieces of legislation allegedly enacted to give the workers so-called equality of bargaining power, no longer serve that purpose, if they ever did. Although it is not recognized openly, it is an obvious fact that we have passed through collective bargaining, now have it in name only, and have emerged into a labor dictatorship subsidized by law and politicians.

Thus the reason for enacting the various laws which have given labor-union setups this subsidy of special privilege by making them irresponsible through legislation has become obsolete in terms of its alleged purpose. This purpose was to redress the balance of power as between management and

workers. Because the worker was said to have no chance of holding his own against the employer, the state must intervene to cast its power on his side. What happened, of course, was that any disequilibrium which may have existed in the beginning was more than redressed by the extreme remedy taken of nationalizing the unions and making them creatures of the state. Now the pendulum has swung so far that it has given us an armed truce as between the labor hierarchy and management. This probably results in costs that equal at least 25 per cent of the total costs of production because of the inefficiency automatically resulting.

An outstanding result of the unequal power conferred upon the labor dictatorship by law and the politicians has been what might be called the right to ignore reason, economics, and the public interest. A conspicuous feature of the labor position today is disregard of the public interest. Lip service may be given it at times in laws and otherwise, but it usually turns out that the actions taken reflect little or no consideration of the public interest.

A long and rich tradition of the use of law and judicial procedure for the purpose of establishing proper relationships between individuals and groups on the one hand and the public interest on the other, has gone by the wayside as a primary feature of a free society.

What the labor setup virtually comes down to now is a privileged position for approximately eight per cent of the population as against the remaining 92 per cent. This has been set up and maintained as an automatic result of a labor-union monopoly. Few better illustrations of the effects of the degeneration of government can be found.

Through the labor setup, the Federal Government on the one hand is promoting monopoly. On the other, through its so-called anti-trust activities against business, it is represented to be opposing monopoly.

The Division of the Product of Industry

Equally fundamental among the various aspects of collaboration with communism within the United States is the cancerous effect of nationalized labor unions on the division of the product of industry.

The extreme to which so-called collective bargaining has been carried has so completely throttled the free market as virtually to deprive the people of the benefits of competition and a rational price system. Supply and demand, from the standpoint of labor economic illiterates, are dirty words, and everything possible is done by the labor leaders to prevent the functioning of supply and demand in the public interest.

One of the principal consequences of this manifestation of economic illiteracy on the part of the labor leaders has been a vast effect of job-killing. The longer labor dictatorships are continued, the greater the tendency toward monopoly on the part of those employees remaining in employment in an industry or occupation. The fact that the number of jobs in an industry progressively decreases, is ignored. The labor leaders and the professors choose to bury their heads in the sand as long as they can get away with it. No consideration is given to the relation between supply and demand in an industry or to the possibility of enlarging the market for the services of persons employed in a particular industry.

This job-killing economic illiteracy is probably most conspicuous in the case of the railroads. In 1945 the railroads of the United States employed on the average 1,420,266. In 1958 the corresponding total was but 840,575. Here is a case of job-killing on a grand scale. Over 579,000 jobs were eliminated. Employment on the railroads is now about 60 per cent of what it was in 1945. Similar examples can be given for other industries and each case reflects the same consequences of allowing a monopoly motivated by fallacies.

Among the most serious effects of the trends, of which but a hint is given above, is in the division of the product of industry. This has been so distorted in favor of the labor of today by the coercive effects of the labor monopoly and the resulting economic illiteracy, that it is gradually choking the whole economy.

According to figures of the Department of Commerce, the compensation of employees in 1947 was \$111.4 billion. This was 85.9 per cent of the total reached if we combine "compensation of employees" and "corporate profits." Conversely, corporate profits in 1947 of \$18.2 billion were but 14.1 per cent of the same total.

Eleven years later, in 1958, the compensation of employees, aggregating \$213.6 billion, was 91.8 per cent of the total reached by adding corporate profits of \$18.9 billion for 1958 as above. Thus corporate profits in 1958 were but 8.2 per cent of the total as compared with 14.1 per cent of the same total for 1947.

The process of liquidation thus implemented not only discourages but prevents the kind of capital formation which is the beginning point in the life-giving process of a national economy based on private capitalism. And without private capitalism, of course, there can be no system of freedom.

What labor leaders overlook is that the employment and the income of workers depend primarily upon the amount of capital which is placed at the

disposal of each of them. Instead of providing incentives for the application of more and more capital to increase the earnings from each job, the efforts of the labor-union hierarchy are applied in the opposite direction and therefore subversively.

They could hardly collaborate with the enemy more perfectly if they intended to do so.

The Greatest Hoax

Throughout most of this century the primary delusion of the agitators, revolutionists, and liberals has been the greatest hoax ever perpetrated on the people of a large nation. This is the allegation that the owners get more out of industry than the workers.

According to the record, this hoax was first projected on July 10, 1905 by Daniel DeLeon, a conspicuous socialist leader of that time. On the platform of Union Temple Hall in Minneapolis he projected this delusion in a world-shaking address which already has changed the course of history.

This address probably was the first one of record supposedly defining the division of income between the workers and owners of American manufacturing industry.

That Dr. DeLeon's interpretation of that day was in exact reverse of the truth is beside the point. The cold fact is that for five decades his misconception of the division of manufacturing income has been accepted as gospel truth by countless millions of people all around the world.

It was the propagation of this fallacy which played a leading role in the development of Fabian socialism in Great Britain; it was a primary factor in the development of communism in Russia; and it still is a leading factor in the extension of measures within the United States, which have the effect of collaboration on the part of various interests with their communist enemy.

Yet little has been done to confront the hoax and to exorcise it by correct and continuous presentation of the truth.

Of special importance is the fact that the labor-union Frankenstein has a take of over \$600 million a year. This gives it a prior position in the income stream as against the corporation and the stockholder. A large part of the \$600 million goes for the purpose of fomenting strife and hatred. It thereby sustains advantageous collaboration with the enemy. With \$600 million a year, a big job of subversion can be put over. Especially when a beautiful job of subjective conditioning has prepared the way by deluding the public as to the nature of what is going on.

Basic in the labor picture, also, is the apathy and lethargy of business with respect to the labor

racket. There has been little effective opposition to it. Illiterate professors have built up a guilt complex among business executives. Being thus subjectively conditioned, most businessmen seem paralyzed so far as protecting their corporations and the interests of their stockholders are concerned. Such paralysis and impotence of business executives must be regarded as another form of collaboration with the enemy.

Notwithstanding the "privileging" of labor-union leaders by government, the fact remains that going along with the labor racket is contributing in an important way to a liquidation of the national economy, which has already passed the 50 per cent point.

The politicians and lawyers who have allowed this labor Frankenstein to be fastened on the people, are responsible for the subtraction of more than 50 per cent from the future of young people which confronts them when they come to maturity today. They may not see it, but the subtraction is there just the same.

There is no basis for expecting that a going-concern economy or a system of freedom can be resumed until this pyramid of degenerative machinery is changed.

The Congolese Atrocities

Initial reports of the chaos precipitated in the Congo by the mutiny of the Congolese army luridly pictured the excesses of the soldiery, the police and

the unrestrained populace. There followed denial on the part of some of the Congolese officials, topped by a final denial by Premier Lumumba on his visit to Canada and this country, that the rapings reported had ever taken place. The atrocities and brutalities he qualified as minor abuses.

This preposterous lie served to dull somewhat the general public's horror and indignation over the first account. Alleged exaggeration brought about confused interpretation of the course of events. The Congo was very far away. And apathy over the entire situation tended to resume its sway.

Now the Belgian Government Information Center, 50 Rockefeller Plaza, New York, has published an authentic and well-documented summary of the personal stories of some of the victims of these Congolese orgies. It is called a "Preliminary Report" and more is to follow. It takes a strong stomach to face up to these accounts. But there should be a sufficiently widespread knowledge of them to serve as a lesson and a warning of what can happen when misguided pressure induces a responsible government to relinquish its authority and place it in unenlightened and irresponsible hands.

We learn that this "Republic" of the (Belgian) Congo—together with *thirteen* other new nations—has been approved by the Security Council of the United Nations for admission into the UN. How preposterous for the Security Council to recommend admission of *any* nation until that nation has proved itself! Cuba is a case in point.

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